

## EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

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October 30, 2003

The Honorable Tim Johnson
United States Senate
136 Senate Hart Office Building
Washington DC 20510

Dear Senator Johnson:

I would like to take this opportunity to address concerns that you have raised in your letter to the President about USDA's proposed rule on Country of Origin Labeling (COOL). We appreciate your bringing these concerns to our attention.

Let me assure you that the COOL rule has been, and will continue to be, carefully reviewed and considered by USDA, OMB and other concerned agencies. Before the proposed rule was issued, professional staff from USDA and OMB engaged in thorough discussions about the COOL proposal and the underlying analysis. Other concerned agencies contributed to these discussions. In light of the complex nature of the rule and the statutory mandate for USDA to develop and issue a final rule by September 2004, I hope you can appreciate the need for USDA to issue the proposal to allow sufficient time for public consideration and comment.

You have raised questions about the "post-review" letter that I sent to USDA on October 27. In that letter, I expressed to USDA my concerns about the potential burdens of the rule, whether its intended benefits would be realized, and its potential adverse impact on the public. Executive Order 12866 emphasizes the principle that the benefits of a regulation should justify its costs to the public. One mechanism we use to convey our concerns about a proposed rule's adherence to this principle is a post-review letter. Further dialogue and consideration will continue as the proposed rule receives public comment and input.

Finally, I want to assure you that OIRA has an open door policy. We are happy to meet with any group to discuss the proposal, regardless of whether they support it or oppose it, and we have expressed our willingness to do so. We honored all requests for meetings during the review period. In one instance, a meeting could not be scheduled

during the review period, despite our willingness to do so. We remain open to meeting with any interested groups. Moreover, I note that the comment period on the proposal has just begun, and we look forward to receiving the public's comments.

If you have any questions or would like to discuss this further, please let me know.

Sincerely,

John D. Graham, Ph.D.

Administrator